

JPRS 81550

17 August 1982

# USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

No. 41



FOREIGN BROADCAST INFORMATION SERVICE

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**USSR REPORT**  
**CONSUMER GOODS AND DOMESTIC TRADE**

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## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### LATVIAN LIGHT INDUSTRY MINISTER ON 1981-1985 PLANS

Riga SOVETSKAYA LATVIYA in Russian 8 Jun 82 p 2

[Article by E. Yablonsky, Latvian SSR minister of light industry: "The Course --Technical Progress"]

[Text] The light industry is referred to as an industry for everyone, which is true. It produces goods that are needed daily by everyone. Workers of the sector produce millions of meters of silk, wool, cotton and linen fabrics, hosiery, knitted underwear and outer garments, plates and dishes and footwear.

Enterprises of our ministry are coping with their planned tasks in the main. More than 18 million rubles' worth of production has been sold above the plan since the beginning of the 11th Five-Year Plan. The output of high quality category products has been increased and has reached 22 percent of the overall production volume. The relative share of goods bearing an "N" (new product) indicator totals 16 percent. Production of goods has been increasing annually.

Nearly one-fourth of all industrial production in Latvia is produced by 29 enterprises of the Ministry of Light Industry. The sector's contribution to the economy of the republic is considerable, but it can be greater. It is necessary to raise the technical level of enterprises in order to diversify even more the variety of goods for the people and for greater satisfaction of customers' demands.

The course toward technical retooling in the republic's light industry is conditioned by demands of the time. Therefore the specific task that has been set during the current five-year plan on technical retooling of the light industry is of special significance for us.

There is an extensive complex of work behind the brief but accurately formulated program for our activities. Technical retooling includes construction of new and modernization of operating enterprises and shops and replacement of outdated and obsolete equipment. On the basis of thorough technical and economic analysis of operations of all shops and sections, we must solve in complex the questions of engineering preparation of production, improve specialization and reason out labor organization and long-range technology in detail.

Much attention has been devoted to production development during the 10th Five-Year Plan. More than 10,000 units of basic industrial equipment have been installed at enterprises of the sector and comprehensive mechanization has been carried out at 2 sewing factories, 21 shops and 27 sections. More than 80 million rubles have been spent on this work. As a result, the gross output volume has increased by almost 10 percent and labor productivity by 11.4 percent.

We must conduct this work with greater energy during the 11th Five-Year Plan. Much has already been done. For example, the first stage in modernization of the Daugava Footwear Combine has been completed. A raw materials warehouse has been constructed at the Riga Audums Production Association. An affiliate of the Ogrskiy Knitwear Combine has been commissioned in Preyli and construction is underway at the Pirmays Mays and Riga Manufaktura Production Associations.

Working conditions have been improved for almost 2,000 people at enterprises. For example, the Riga Tekstils Production Association has mechanized transportation and storage of roving and has introduced a grouped-spool [kassetno-gruppovoy] method of removing yarn from annular spinning frames.

And yet we have to admit that some of our work indicators are lower than at related enterprises in neighboring republics. The production growth rate does not satisfy us. And that is why we believe that the basic work in technical retooling is still ahead.

During the 11th Five-Year Plan we plan to introduce 45 mechanized and 5 automated lines and to carry out comprehensive mechanization in 13 shops, 32 sections and 1 enterprise. We also plan to considerably reduce the number of workers engaged in heavy manual labor and to conditionally release approximately 4,000 people by increasing labor productivity.

It is planned to construct and put into operation a dyeing and finishing facility at the Riga Tekstils Association by the end of the five-year plan. The increased capacity and work concentration will make it possible to shut down small sections at other enterprises. Construction of a shop that will produce "moliniya" fasteners is continuing in Liyepaya.

We are investing most funds in production of cotton fabric. It is planned to install 145 pneumatic machines at the Riga Manufaktura Association. Productivity of these machines is almost 2.5 times higher than the equipment now in operation. More than 40 such machines have been installed since the beginning of the five-year plan.

The yarn produced by the new machines is notable for its high quality. Production of fine high-grade cotton yarn has been mastered on such equipment for the first time in the country. This raw material, which is urgently needed by knitwear enterprises, will make production of various fashionable goods possible. The new machines have increased the output of yarn and this has resulted in a considerable saving of raw materials.

Extensive changes will also be made in weaving production. Some 400 more productive shuttleless [beschelnochnyye] machines have been allocated this year. They will be used to produce sateen and flannel, which are in great demand. There are plans to increase production of cotton blankets and decorative fabrics.

Among knitwear enterprises the main attention is devoted to the Sarkanyrsits Production Association as the basic supplier of knitted underwear for children. It is planned to install mechanized equipment lines for sewing knitted underwear and machines for making trimming lace. The installation of a multicolor stenciling line will make it possible to decorate children's garments with bright designs. Production of children's underwear of improved quality will be considerably increased when the new equipment becomes operational.

Even based on these listed measures, which are far from complete, it is evident that collectives of enterprises and the ministry will have a lot to do. But the pace of technical retooling is held back by a whole series of serious reasons. The main one is the unsatisfactory condition of old production facilities and structures, many of which need capital reconstruction so that new equipment of a different size can be installed.

Growth in technical level of production is hampered by extensive scattering of shops. Moreover, individual shops are located in areas of dense housing construction and must be moved to an industrial zone.

It is evident that enterprises are faced with extensive volume of construction and installation work. However, the production base of the ministry's construction organization is very poor. We intend to strengthen the ministry's repair and installation administration considerably so that we can do most of the construction work ourselves. But we hope that the republic's Ministry of Construction will find it possible to help light industry workers in conducting the technical retooling work rapidly. Increasing production of goods for the people is our common goal. The question about establishing an experimental base of the ministry's central technical planning and design bureau has not been solved so far. It is badly needed in the production of means of mechanization and automation for technical retooling. The solution of these and some other problems will help collectives of enterprises and the ministry in accelerating the sector's work rate.

Workers in the light industry are faced with responsible tasks. Any modernization, especially technical retooling is a distinctive test for enterprises and the ministry. Our aim is to obtain a maximum return from the invested funds. Workers themselves must show more initiative and activity in these questions. The collective of the Daugava Footwear Combine has approached the questions of modernization in an energetic manner. Despite the same difficulties that face everyone, the results here are evident.

The role of party, trade union and Komsomol organizations especially increases during complex conditions of modernization. But it must be remembered that all problems cannot be solved at the expense of technical retooling alone. Collectives of enterprises and the ministry's staff must intensify their work aimed at improving quality and expanding variety of production and devote more attention to improving labor organizations and management methods.

Along with collectives which have been achieving stable successes, there are still those which have been failing their monthly production plans, permitting extensive losses as a result of defective output and violating labor and industrial discipline. We must do everything to eliminate such shortcomings.

Socialist competition is a tested method for achieving this goal. Workers of the sector are competing today for a worthy welcome of the 60th anniversary of the founding of the USSR. We must raise effectiveness of this competition and disseminate leading workers' experiences. There is no need for "red tape" but for businesslike painstaking work with every member of the collective. Instilling in every worker a creative and innovative approach to work and ability to overcome difficulties is a guarantee of successes.

The 11th Five-Year Plan can be justly called a period of fundamental changes in the light industry. And I believe that despite all difficulties, workers of the sector will honorably fulfill the tasks set by the 26th party congress.

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CSO: 1827/128

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### LITHUANIAN LIGHT INDUSTRY OFFICIALS ON 1981-1985 PLANS

Vilnius SOVETSKAYA LITVA in Russian 8 Jun 82 p 2

[Article: "An Industry For All"]

[Text] Expansion of production and improvement of consumer goods quality is of paramount significance in the party's efforts to improve welfare... L. I. Brezhnev.

The light industry is justly referred to as a comprehensive sector. Although it is a sector of the country's national economy, it consists of several sectors itself—footwear, sewing, textiles and so forth. The life of this complex is intricate and varied: greater success in developing and operating its sectors means better indicators for the light industry as a whole and more success in fulfilling the task set by the 26th CPSU Congress as regards sharply improving the population's demand for fashionable and high-quality goods—clothing, footwear and other generally sought after goods. What has been done and is being done in this direction?

The editorial office has asked supervisors of basic production departments of the LiSSR Ministry of Light Industry to answer some questions, which, in our opinion, give an idea about the rate of development of sectors, their achievements and prospects and the concern manifested by the Communist Party for man's welfare. Here are the questions:

1. What variety of goods are produced by the sector?
2. What new goods will be provided by the sector during the years immediately ahead?
3. What has been done and is being done to improve the technical base?
4. What are the prospects for development during the current five-year plan?

And here are the answers:

V. Mikolaytis, chief of the Sewing Industry Department:

1. Sewing enterprises are producing and will produce 1,100 varieties of clothing this year, including 900 new varieties. It is very important that

the renewal of variety is not limited to style. For example, 75 different fabrics in pattern and color are now used to sew 22 styles of girls' overcoats. The same applies to clothing sewn from artificial leather, velveteen and so forth.

2. It is impossible to enumerate all products. They include various clothing made of two-way fabric whose reverse side is used for trimming (the demand for such goods is great) and many other goods. But, perhaps, the most interesting work is the upcoming production of goods made of knitted cloth combined with fabrics.

3. Modernization of the Alitusskaya Daynava Sewing Factory was completed during the 10th Five-Year Plan, making it possible to increase the output of children's dresses by 300,000 dresses a year. Modernization of the Leliya Association's leading enterprise and the Spalis Sewing Factory is now underway. Comprehensive retooling of technological processes is also underway. For example, a complete set of highly productive equipment for sewing men's suits has been installed at Leliya, complete sets of machines for sewing men's trousers from woolen as well as jeans fabric have been installed at the Shatriya Association and two flow lines for sewing jackets and one flow line for sewing raincoats have been put into operation at Daynava. It is noteworthy that some of this equipment is equipped with electronic controls.

4. The production volume of sewn goods will increase by 19 percent and of children's goods by 34 percent during the 11th Five-Year Plan. A comprehensive program for improving the quality of goods has been worked out.

I. Strakshis, chief of the Footwear, Leather and Leather Goods Industry Department:

1. Women's box calf boots with porolon [porolonovaya] lining; short boots; women's summer slippers with semirigid polyurethane soles; goods for children, including box calf boots, slippers and heel-strap sandals with soles made from "Malysh" microporous rubber; men's box calf boots; and men's "moccasin" type footwear with soft trim--one can go on listing various models and styles for a long time. Yet neither we nor the customers are satisfied with the existing situation. First of all, it is because it is still difficult to buy some models and styles of footwear which are not produced in sufficient quantities. Also, its quality leaves much to be desired. Collectives of enterprises are concentrating their efforts on solving these questions.

2. We will continue producing the above-mentioned goods and improving their consumer properties. Moreover, during the second half of the year we will master production of children's boots with uppers made from textile materials and with mold-made soles.

3. The Elnyas Association has put into operation an imported equipment flow line for finishing box calf leather goods of raw cowhide. This has made it possible to ensure production of high-elasticity leather. The Raudonasis Spalis Factory has mastered two complete "Shen" lines and the

Ukmergskaya Footwear Factory has mastered two "Desma" casting units... We expect that all of this will not only increase labor productivity and production of goods but also improve their quality.

4. For greater satisfaction of the population's demand for footwear, it is planned to modernize the leading enterprise of the association imeni P. Eydukyavichyus by the end of the current five-year plan and to increase the annual production capacity by 2 million pairs. It is also planned to modernize some other enterprises.

I. Shyaudinene, deputy chief of the Knitwear Industry Department:

1. Anyone visiting knitwear departments in stores can be convinced in the variety of products turned out by the sector's enterprises. There is always a fairly wide selection of jumpers, suits and various kinds of jackets. Altogether some 350 models of knitted outer garments are being produced at present, in addition to 306 models of underwear and hosiery of 154 different designs...

2. New products are mainly intended for our future--the children. Enterprises that produce outer garments have mastered modernized knitting equipment to produce children's garments which look like they have been knitted by hand. The method of manufacturing items with transfers [perevodnyye kartinki] has been mastered and the method of using adhesive in appliqueing articles for nursery-age children has been simplified. Production of pantyhose and knee-high stockings for teenage girls has been organized. These items are made of highly elastic and brightly colored thread and have a patterned stripe along their side...

3. During the past several years, the sector has carried out extensive work in replacing its old industrial equipment and in mastering new, more productive machines. Altogether nearly 1,400 units have been replaced or almost one third of the entire knitting equipment inventory. Forty percent of sewing and 16 percent of dyeing and finishing equipment has also been replaced.

4. It is planned to reequip production facilities at the associations imeni A. Shyauchyunayte and "Matis" and at the Viliya factory to enable them to produce cotton underwear and knitted outer garments. This will make it possible for us to more greatly satisfy the demands for such goods.

I. Kayryalis, chief of the Textile Industry Department:

1. Female customers are especially familiar with our sector's goods. They include cotton, silk and linen fabrics, various unwoven materials and rug goods--altogether some 160 names and grades of merchandise. The Silk Combine imeni P. Zibertas has mastered the production of velvet, which is in great demand. The Trinichyay Association has organized the production of woven and stitched rug goods, which unlike the former ones are made on a special frame and formed only from yarn and thread.

2. The outer appearance and structure of textiles change constantly. This year the variety of cotton and silk fabrics will be renewed by 60 percent and of linen fabrics by 20 percent.

3. Fundamentally new industrial equipment is being introduced at some enterprises. For example, pneumatic looms are being installed at the Alitusskiy Cotton Combine imeni 60th Anniversary of the Communist Party of Lithuania and mastery of hydraulic looms received from Czechoslovakia is underway at the Combine imeni P. Zibertas.

4. The sector's development prospects are closely linked to further implementation of measures aimed at technical progress. A spindleless spinning method is being currently introduced in cotton spinning. Nearly 40 percent of cotton yarn will be produced by this method in 1982 alone. It is noteworthy that labor productivity doubles when this manufacturing method is used.

Compared with 1975, the output of cotton fabrics has increased by 32 percent, the output of silk fabrics by 19 percent and the output of linen fabric by 15 percent. Introduction of technical innovations will help in increasing even more the output volume of products needed so much by the people.

L. Pukhas, chief of the Wool Industry Department:

1. Probably everyone is aware of the variety of wool fabrics--both men and women use them to make garments from time to time or buy them ready-made. I would only like to say that there are 60 different types of such fabrics. At the same time, I would also like to note that the sector's production is not limited to fabrics alone. We also produce volumetric yarn [obyemnaya pryazha], rugs, felt footwear and unloven materials.

2. In an attempt to give greater satisfaction to customers' demands, collectives of enterprises have been working persistently to make fabrics even better and more attractive. More than two-thirds of their color variety is changed every year. This year customers will also receive new suit fabrics which are noted for their high consumer properties such as "Eryalis," "Krapas," "Vanagas," and "Papartis" and fabrics for overcoats such as "Alvitas," "Gervena" and "Neringa"...

3. Modernization of the Drobe Association begun during the 10th Five-Year Plan. A total of 90 additional looms and 6,000 spindles were introduced and a finishing stock was commissioned. This has made it possible to considerably improve the quality and outer appearance of suit fabrics. The Liteksas Association has retooled spinning production and introduced the "Befama" firm's carding devices and spinning frames that employ the balloonless [bezballonnyy] spinning method.

4. It is planned to introduce new, more productive pneumatic spinning frames and automatic dyeing machines during the 11th Five-Year Plan. These and other measures linked to technical progress will help in increasing the output of wool fabrics by 7.7 percent and of rugs and rug goods by 22.9 percent during the years of the five-year plan.

The present day of the sector as a whole, its prospects, the everyday working life of production collectives and the problems that must be solved are described by I. Ramanauskas, minister of the LiSSR Ministry of Light Industry:

I am pleased to report that workers of the sector have begun the current five-year plan successfully. All associations and enterprises without exception have fulfilled and many have exceeded their state tasks and socialist pledges assumed for the year. The goals for the first 5 months of this year have been achieved on schedule. Many thousands of square meters of various fabrics, pairs of footwear and other products needed by the people have been supplied above the plan to the trade network.

These achievements have many facets. I would like to draw the reader's attention to two of them which, in my opinion, are decisive: the strength of great friendship and cohesion of the Soviet people and the unprecedented scope of socialist competition for fulfilling the five-year plan tasks ahead of schedule and for a worthy welcome of the 60th anniversary of founding the USSR.

Can one really imagine that changes, which have occurred in the sector during the years of Soviet rule, would have been possible without the disinterested assistance from union republics? Labor force, technology, raw materials--the fraternal peoples have shared all of this generously with us. Incidentally, manifestations of such mutual assistance are abundant even at present. Here are only some of the facts. It is well known that Lithuania does not have its own raw materials for textiles with the exception of flax. Nevertheless our industry has been processing more than 136,000 tons of them annually. Where do the raw materials come from? We have been receiving more than 34,000 tons of cotton-fiber a year from Central Asian republics, over 8,000 tons of wool fiber from Kirghiziya, Kazakhstan and the Ukraine and 17,500 tons of synthetic and man-made fibers from Belorussia, the Ukraine and Georgia....

Light industry workers of Lithuania are striving to produce high-quality goods from the raw materials they receive. They pride themselves on achieving definite successes in this. The textile industry, for example, supplies its products to 740 different addresses and these products are eagerly accepted in Finland, Poland and some other countries. Sewn goods and other products are supplied to many regions in the country and are in demand there.

In friendly cooperation with related production collectives in various regions of the country, including those in Lithuania, a competition has emerged based on the "agreement of thousands." This year, enterprises of our ministry have reached 133 agreements on creative cooperation with related enterprises. For example, the Drobe Association is linked by such agreements with the Leningrad Association and other collectives. The Leliya Association has reached agreements on creative cooperation with 12 related enterprises. The competition among related enterprises strengthens mutual aid relations and effectively influences growth of labor productivity, increase of consumer goods output and expansion of variety and improvement of their quality.

People's creative activity grows and communist attitude toward labor is formed during socialist competition. These qualities are especially clearly manifested in the flourishing of patriotic initiatives and their effectiveness. Here are some convincing examples. On the eve of the 26th CPSU Congress, 12 female weavers of the Silk Combine imeni P. Zibertas have almost doubled loom service zones against the norm set by the sector. On this basis, they have pledged to fulfill 1.5 five-year plan tasks each by the 115th anniversary of V. I. Lenin's birth. Almost 10,000 workers of the sector have followed their example. The collective of the Utenskiy Knitwear and Haberdashery Association imeni M. Melnikayte was one of the first in the republic to come forward with the initiative on ensuring the entire increase in production during the 11th Five-Year Plan by raising labor productivity. The initiative was supported by 22 more enterprises shortly thereafter.

Socialist competition increases people's strength and helps them in solving arising tasks, which are quite complex. During the five-year plan period, the output of all kinds of fabric must be increased by another 12 percent, the output of leather footwear by 13 percent and the output of sewn goods by almost 16 percent. But most important is that we must achieve a sharp improvement in production quality. This is an especially important task now in the light of the decisions of the May plenum of the CPSU Central Committee and the foodstuffs program adopted by it. Light industry workers see their role in its implementation, first of all, in improving the supply of high-quality, stylish articles of everyday use to rural workers, thereby promoting the rise in their spirits and consequently of their labor activity. They will do everything to fulfill this task.

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CSO: 1827/126

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### LITHUANIAN SSR HOLDS CONFERENCE ON HYGIENE

Vilnius SOVETSKAYA LITVA in Russian 30 May 82 p 2

[Article: "Questions of Hygiene Have Been Discussed"]

[Text] A republic conference on improving sanitation conditions and raising hygiene of the population has been held in Vilnius. It was attended by deputy chairmen of gorispolkoms and rayispolkoms, chiefs of health and public education departments, chief physicians of central rayon hospitals and sanitation and epidemiological stations, deputy chairmen of Red Cross societies, supervisors of ministries, departments and means of mass information and chairmen of trade union committees.

LiSSR minister of health I. Platukis delivered a report.

The conference noted that in fulfilling the tasks set by the 26th CPSU Congress and the 18th Congress of the Communist Party of Lithuania, the republic, parallel with economic questions, has devoted great attention to social questions, including questions of hygiene. Hygiene is health production--it is an integral part of the overall culture.

Rapid development of production, growth of cities and man's ever increasing influence on nature require most serious attention to protecting the environment's most important wealth--water, land and air. Considerable material means are allocated for environmental protection. More than 100 million rubles have been invested in this during the 11th Five-Year Plan alone. It is important to make certain that these funds are fully assimilated.

During discussions on sanitation in the production of foodstuffs, a demand was made to devote especially great attention to this sphere of economic activity. It was noted that some farms in the republic do not have enough facilities for refrigerating milk, which is often of poor quality when it reaches the plants. Farms, combines and trade and public dining enterprises must strictly adhere to all technological and sanitation requirements and regulations on selling perishable goods and wage a struggle against slovenliness and disorder.

The movement for high culture and exemplary public order has been gaining an increasingly wide scope in the republic. We must see to it that the

demands of sanitation and personal hygiene are observed in every populated place, every family.

Health organs are looking after sanitation conditions in the republic. However, the conference noted that no special service can solve sanitation problems without proper attention on the part of every enterprise, farm, institution and organization. We can solve sanitation problems and increase our wealth and beauty only through joint efforts.

The conference was addressed by A. Chesnavichus, chairman of the LiSSR Council of Ministers, and V. Baltrumas, chief of the Science and Education Institutions Department of the Lithuanian CP CC.

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CSO: 1827/128

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### SUPPLY OF RAW MATERIALS CUT, PLANT SHUTS DOWN

Moscow PRAVDA in Russian 2 Jun 82 p 3

[Article by N. Chepurnoy, director of the Kishinevskiy Refrigerator Plant, and Ye. Buhnoch, chief of the plant's juridical bureau: "Agreement Without Compromises"]

[Text] I. I. Pudkov, minister of the USSR Ministry of Machine Building for Light and Food Industry and Household Appliances, often has to receive urgent telegrams from us. As a rule, they contain a distress signal: the Kishinevskiy Refrigerator Plant is discontinuing output of its main production due to lack of metal, paint and polystyrene.

Let us assume that a Riga plant has failed to supply priming paint by alleging lack of primary raw materials. Funds for metal have not been "bartered" because the new supplier-plant was not ready to produce the metal that we need. An entirely objective reason also justified the lack of polystyrene. What was there left for our enterprise to do? Send urgent telegrams. But effectiveness of urgent signals has been poor and they cannot correct serious miscalculations in planning.

Let us say that our plant's technical specifications determine the possibility of producing 262,000 refrigerators a year. With due regard for the organizational and technical measures being carried out, the collective believed that it is possible to increase production by 8,000 more units. We have submitted these calculations to last year's plan to the ministry. Almost 5 months have passed when a message was received from the Soyuzelektrobytmash Production Association in the latter part of last year: the plant's 1981 output plan has been confirmed... for 275,000 refrigerators. Why, on what grounds? There was no explanation. Instead another assignment was received to produce an additional 1.5 million rubles' worth of unspecified production. Moreover, at that time there was no mention about the basic plan for material and technical supply. The story is being repeated this year.

The inadequacy of economic and juridical relations between those who distribute physical resources--"give the funds"--and those who, expecting registration of suppliers, plead not to break the established relations is of special concern. Actually if a holder of the capital, for example, the Glavuprnsnab [main administration of supply] of our ministry errs or is late in

allocating funds then, regardless of any losses suffered by an enterprise as a result, it risks only paying a fine of...250 rubles. The one who is in charge of assigning receiver-plants to suppliers is not liable for his mistakes at all. Could this be the reason of instances when assignments are made to supplier-plants which have not even been commissioned or are turning out production which does not have anything to do with the production specified in the order?

There is a special provision for supplies. However, it does not say anything about the order and periods for assigning buyers to their suppliers. A clarification should be included. It would be beneficial to confirm the production plan at the same time with the plan for material and technical supply and to indicate the real suppliers.

Numerous facts testify how important it is to change the situation that has developed. For example, our plant was one of the first in the country that strove for penalties in addition to fines (sometimes purely symbolic ones), forfeiture for failure to fulfill obligations in accordance with agreements and compensation for losses when we were unable to make a planned profit as a result of somebody else's fault. This, of course, is not an end in itself but a means for raising the effectiveness of interaction.

At the same time, it is sometimes difficult to avail oneself of the legal controls. Unfortunately, the rules that are in force unjustly remove the possibility of holding negligent suppliers answerable for liability of the property. Thus for irregularities in deliveries occurring in January, the affected party may bring action in the Gosarbitrash [State Board of Arbitration] only in June. Thereafter there is a waiting period until the case is examined. A long time is needed to process payment documents through the Gosbank. The delayed property sanctions lose their effectiveness to a great degree since they do not even prevent the supplier from receiving bonuses. Moreover, he sometimes does not have any funds in the account and the payment on orders of arbitration organs is made only in the last order.

New forms of economic relations are being developed more broadly in our days. Supply and marketing organs, production associations and main administrations of ministries have been entering contractual relations based on cost accounting. These relations are regulated by many deeds of various juridical power. They have been in need of being put into order and reduced to a single system for a long time.

An agreement can effectively fulfill its role as a "coordinator" of a plan with cost accounting only when planning does not break contractual obligations and reckons with them.

The unjustified destruction of established relations and formal "setting" of new ones is exactly that which forces our plant to send distress signals. The 26th party congress demanded that socialist law be strictly observed in economic relations. The work must be organized in such a manner so that ministries and departments are held fully responsible for bringing to buyers and suppliers a guaranteed plan for material and technical supply simultaneously with a practicable state production plan.

## HOUSING AND PERSONAL SERVICES

### HOUSING FOR WORKERS INADEQUATE, LOCAL SOVIETS BLAMED

Moscow SOVETSKAYA ROSSIYA in Russian 20 May 82 p 2

[Article by Z. Fedin, Orel-Moscow: "Truncated Version"]

[Text] Enterprises of RSFSR Ministry of Local Industry are being built without facilities for social, cultural and consumer services.

The first deadline set for putting the new building into service, and then also a second one, have passed. And once again, now in the seventh year of construction, N. Litinskiy, director of the Orel Metal Products Plant, could only say that up-to-date equipment had been installed here and that bicycles and other goods would be manufactured. We walked with him past the walls that had not been plastered, past stairwells without railings, and our steps gave a hollow sound in the spacious empty rooms. The day before those few builders who somehow have been keeping the project alive went away.

"We are a local industry," the director said with a mirthless smile. "There is always a construction project more important than ours. And yet, I sometimes think about the long-awaited opening, it will not come about of itself."

We will explain the director's remark. The old plant now has a work force of 165, while the new one needs 560. Even if all the workers move over from the old shops.... But no, they will not move. They do not give their consent. The old plant is in the center of the city, the new one on the outskirts where there are no travel connections. Nor are there stores in the vicinity, nor kindergartens. But the main thing is that there is no housing for the new workers. The management published announcements about hiring in advance, toolmakers, galvanizers, fitters began to come to the personnel division.... They are all extremely necessary to the enterprise. But every time the same conversation was repeated. "How about housing?" the worker asked. "None." "What do you mean, none? There is none today, will there be any tomorrow or in 5 or 7 years?"

Alas, the personnel officers could only spread their hands even in answer to that question. In the plant trade union committee they showed me the collective agreement. In it the enterprise's workers are committed to fulfilling the plan ahead of schedule and to manufacturing output over and above the plan

and to reducing production costs. For its part the administration promises to furnish all workers hot meals, fuel at half the cost, to develop collective gardens and orchards, and so on. All of this is fine, but there is no trace at all of the main point—the housing question. One can understand why the managers of the new plant are in a gloomy mood today. They are not exaggerating at all. There is evidence of this in examples from the practice of other enterprises in local industry.

Take, say, the shops for rubber footwear and rubber-asbestos sheets at the Suslonger Tire Repair Plant in Mariyskaya ASSR. Their equipment was to be used at full capacity beginning in 1979. But it is being used at only half capacity. Because of the lack of housing the work force here numbers 110 instead of the assumed 240.

The Usman' Weaving and Knitting Factory in Lipetskaya Oblast was supposed to reach its rated productivity 2 years ago. So far it has been operating at half capacity. Same reason.

A recent check on more than 100 enterprises of local industry built in the 10th Five-Year Plan showed that capacities at half of them are substantially underutilized. Moreover, matters are worse where the housing shortage is especially acute. And even at other enterprises, including workshops which are by no means small and modern production operations with a work force running to many hundreds, the picture is approximately the same. In the plans covering their social development one rarely encounters a section on housing construction. One of the basic principles of the development of production—comprehensiveness—is being manifestly violated. This condition was set forth in no uncertain terms at the 26th CPSU Congress: reports on activation of new industrial projects would be considered effective only if the program for construction of social amenities and consumer service facilities was also fulfilled.

Over the last 10 years local industry has doubled its fixed capital. In the value of its output—consumer goods—it now exceeds a number of union machine-building branches. Its potential is huge, and the important thing is how it is to be run. At present one gets the impression that RSFSR Minmestprom [Ministry of Local Industry] is building more and more new plants without being concerned about their utilization. But we will not be hasty in drawing conclusions.

"In our case one can speak about truly comprehensive development only concerning enterprises which are managed directly from the ministry," explains V. K. Uspenskiy, RSFSR minister of local industry. "There are several dozen such in the republic. The others—and there are about 1,500 of them—are operating under so-called dual subordination. In this case Minmestprom is allocated capital investments only for construction of the production facilities. It is assumed that the workers will be furnished apartments by the ispolkoms of local soviets."

How reliable the allocation of housing to enterprise personnel under dual jurisdiction has been can be judged from the experience of that same Orlovskaya

Oblast. Over the 5-year period local industry in that oblast received three enterprises. A texturized material factory was built in Dimitrovsk-Orlovskiy, a pilot plant in Orel, and a garment factory in Mtsensk. All financed with the capital investments of RSFSR Minmestprom. And what is the situation with allocation of housing? The oblast plan indicates not without pride that enterprises in the branch have received from the oblast 3.1 percent of their housing.

Until you decode those percentages, the figure on the face of it seems acceptable: in the oblast and the city funds are being steadily committed to social development; over the 5-year period housing was built with floor space of 1,383,000 square meters. But more than half went to enterprises under union jurisdiction which were built on a comprehensive basis. Such as, say, the plant for assembly equipment and intermediate products which was put into operation in 1978; even before it started up, which is how it was supposed to be, its workers received 1,200 housing units. The share of housing cooperatives was more than 100,000 square meters. The remaining 5,000 square meters was placed at the disposition of the oblastspolkom. Thus the 3.1 percent is to be taken not from the total amount of housing built in Orlovskaya Oblast, but from the latter figure. Is this a high percentage when it consists almost entirely of the dormitory built at Kromy? Over that same time the waiting list for housing through the oblast administration for local industry has become appreciably longer. People are leaving who have lost hope of obtaining housing in the foreseeable future. It is not the new people who are quitting, but established workers and experienced specialists.

Is there any point in talking about the situation in regions where construction is less vigorous? For many years housing has not been allocated to collectives of the branch in Krasnodarskiy, Primorskiy and Stavropol'skiy Krays, Komi ASSR, Northern Ossetia, Daghestan and Kurskaya, Astrakhanskaya and other oblasts.

It is difficult to monitor the construction and allocation of apartments and places in dormitories because of the lack of relevant statistical reporting. There are no documents from which one might establish the number of families who need to improve their housing or the amount of housing obtained by enterprises from ispolkoms and built with shares contributed by enterprises.

And yet in certain oblasts and autonomous republics attempts are already being made to find acceptable solutions that furnish at least some guarantee. For example, the Chuvash CPSU Obkom, the Council of Ministers of Chuvashskaya ASSR, together with Minmestprom, Minzhilkomkhoz [Ministry of Housing and Municipal Services] and Minbyt [Ministry of Consumer Services] have adopted plans for economic and social development of three sectors over the next 5-year period. Funds from local soviets and the enterprises themselves are to be used to build housing, multiservice children's centers, sanatoriums and preventoriums and other social service facilities. A similar resolution has been adopted by the Gor'kovskaya Oblast Ispolkom and RSFSR Minmestprom. But all of these individual measures do not represent a unified system.

In 1982 the Ministry of Local Industry built several dozen more enterprises. Of course, the new plants and factories require thousands of workers and specialists who will need housing. But by contrast with the production space and capacities, these "square meters" have still not been furnished: oblispolkoms are appropriating them "insofar as is possible."

It is clear that firmer guarantees are needed in planning the sector's future development. They are seeking for a way out even in RSFSR Minmestprom, where the entire technical and economic program is determined. What way out? A number of key officials of the ministry feel that the funds for housing and social and consumer service construction should be concentrated within the sector. But this opinion is opposed by another viewpoint: money for housing should not be concentrated in the hands of the ministry, which contradicts the line of strengthening the economic independence of local soviets and results in a squandering of funds.

How are these two approaches to be reconciled in order to preserve the optimum element? Ukrainian experience suggests a quite realistic alternative. Six years ago it was decided there to grant the workers of local industry a strictly determined portion of the housing built by order of the oblispolkoms. And since 1977 the plan for capital investments of UkSSR has indicated the share of housing which is to be built for the sector. This simple measure has brought about the necessary order, even though not a single additional dwelling was built. But what of benefit? Personnel turnover in the sector dropped from 23.5 percent in 1976 to 19.7 in 1981, collectives became more stable, and soon the skills of the workers increased. The republic's Minmestprom found itself in a position where it could use its own funds for social development of the sector. Finally, the principal result is that the time for attainment of rated capacity at new projects has been shortened.

This is a worthwhile alternative: there is no need to attract new funds and resources, nor to alter the system for planning housing construction. But this is not, of course, the only way. Even here, incidentally, we should mention that soviet authorities bear particular responsibility for development of local industry. The enterprises in the sector are called upon to meet the demand for various household products, garments and housewares above all in those regions where they are operating. This means that there must be a particular interest in strengthening small-scale industry at the local level.

Since adoption of the new laws on governmental authorities in oblasts, krays and autonomous republics local soviets of people's deputies have considerably broadened and strengthened their rights in management of economic activity. Those rights also need to be used in this specific case, and they should take an active part in building a sound foundation for local industry and in guaranteeing its development with a view to the long run.

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CSO: 1827/130

## HOUSING AND PERSONAL SERVICES

### RURAL HOUSING CONSTRUCTION DECREE OUTLINED

Moscow SOVETSKAYA TORGOVLYA in Russian 1 Jun 82 p 1

[Summary of the decree entitled "On Measures To Further Improve Housing, Municipal and Consumer Service and Social and Cultural Living Conditions of the Rural Population" adopted by the CPSU Central Committee and USSR Council of Ministers and approved by a plenum of the CPSU Central Committee on 24 May 1982]

[Text] The CPSU Central Committee and USSR Council of Ministers noted that after the March (1965) Plenum of the CPSU Central Committee major steps were taken in the country to solve the social problems of rural areas and to reorganize rural settlements. The housing opened to occupancy in just the last two 5-year periods represents a total floor space of 294 million square meters.

But the measures that are being taken in this sector are still inadequate. Assignments are not being altogether fulfilled for putting into service housing and municipal, cultural and consumer service facilities, and there are shortcomings in the cultural, consumer, medical and trade services to the rural population. The network of farm roads needs to be improved.

The CPSU Central Committee and USSR Council of Ministers view measures pertaining to the social transformation of rural life as an integral part of the Food Program. Performance of these measures necessitates substantially improved organization and larger volume of construction of housing and municipal, cultural and consumer service facilities and roads in rural areas.

The CPSU Central Committee and USSR Council of Ministers have ordered the central committees of the communist parties of the union republics, party kraykoms and obkoms, councils of ministers of union and autonomous republics, krayispolkoms and oblispolkoms and central ministries and departments to carry out comprehensive measures for social and economic development of rural areas in the 1982-1990 period.

The decree has defined the relevant tasks in building and putting into operation during the 11th Five-Year Plan on kolkhozes, sovkhozes and other agricultural enterprises and organizations housing with a total floor space of 176 million square meters, including 51 million square meters financed by

individuals and housing construction cooperatives. In the 12th Five-Year Plan the volume of housing construction in rural areas is to increase by 15-18 percent. In the current 5-year period plans call for building general public schools with 2,315,000 places, preschool institutions with 1,182,000 places, and clubs and culture centers with 1,365,000 places. In the 12th Five-Year Plan school construction will increase by 14-17 percent, preschool institution construction 1.5-fold, and construction of clubs and culture centers 1.7-fold.

Road construction will undergo faster development in rural localities. In the 11th Five-Year Plan general public highways are to be opened connecting the central homesteads of farms to rayon centers over a total length of 54,000 km and hard-surface farm roads are to be built over a total length of 57,000 km. In the 12th Five-Year Plan the volume of construction of these roads is to increase 1.4-fold and 1.6-fold, respectively.

There are plans for further development of the network of rural vocational and technical schools and therapeutic and preventive medical institutions.

Assignments have also been established for construction and activation of heat and gas networks, water pipelines and other facilities.

The CPSU Central Committee and USSR Council of Ministers have issued the following assignments:

- i. USSR Gosplan, jointly with the councils of ministers of the union republics, is to determine the volume of work for construction of rural projects for construction and other ministries and departments in the 1983-1990 period, with a view to ensuring in 1990 that the construction and installation work (not including reclamation project construction) done on kolkhozes, sovkhozes and other agricultural enterprises and organizations on a contract basis represent 75-80 percent of the limit assigned them;
- ii. the USSR Ministry of Rural Construction is to perform measures to develop the physical and technical capability of subordinate construction and installation organizations so as to ensure that the volume of work done to build projects in rural areas is brought up to 7 billion rubles by the end of 1990;
- iii. in drafting 5-year and annual capital construction plans councils of ministers of union republics and USSR ministries and departments are to make provision for using an average of 15 percent of the capacity of city housing construction combines to build housing, schools and preschool institutions on kolkhozes and sovkhozes;
- iv. in the 1982-1985 period USSR Gosstroy and councils of ministers of union republics are to make or correct the draft layouts of administrative rayons, draft layouts and construction plans for settlements of sovkhozes and kolkhozes, and in 1983 draft or correct construction norms and standard designs of public and residential buildings for state, cooperative and private construction in rural areas and the outbuildings for dwellings of various types, and also draft standards governing specific capital investments for construction of housing and municipal service facilities on kolkhozes and sovkhozes

so as to take into account expanded construction of houses of the homestead type in settlements, improved layout of dwelling units and a rise in the level of their utility connections;

v. the USSR Ministry of Agriculture, USSR Ministry of Fruit and Vegetable Industry, USSR Ministry of Food Industry and the councils of ministers of union republics are to draft in the 1982-1984 period master charts for development of farm roads on kolkhozes, sovkhozes and other agricultural enterprises;

vi. the USSR Ministry of Health and councils of ministers of union republics are to complete by 1984 organization of emergency medical service in rural rayons. To improve the quality of medical service and the way it is rendered to the rural population on the basis of improved operation of primary health units, intensive development of mobile forms of medical service in rural areas, including dentistry, and also expanded service to rural inhabitants by specialized health institutions (components) in the cities;

vii. councils of ministers of union republics and the USSR Ministry of Communications are to complete in the 12th Five-Year Plan the telephone connection of all therapeutic and preventive medical institutions and the equipping of stations (departments) for rapid and urgent medical service in rural rayons with radio equipment;

viii. councils of ministers of union and autonomous republics, krayispolkoms and obispolkoms are to draft and perform in the 1983-1990 period measures to further expand and improve consumer services to the rural population with a view toward increasing over that period the volume of construction of the following facilities in rayon centers to serve rural inhabitants: laundries and dry-cleaning establishments, multiservice enterprises to repair radios and television sets, refrigerators, washing machines, other household appliances, and to build self-service laundries, baths and multiple-service collection points in the settlements of kolkhozes and sovkhozes;

ix. councils of ministers of union republics are to allocate for interkolkhoz sanatoriums, rest homes, boarding homes and Pioneer camps processing, refrigeration, medical and other equipment as well as furniture, dishware, hardware and furnishings and specialized motor vehicles in the proportions established for sanatoriums and health resort institutions of trade unions;

x. the USSR Ministry of Communications, the USSR Ministry of Agriculture, the USSR Ministry of Fruit and Vegetable Industry and the councils of ministers of union republics are to build telephone systems for general use in rural localities, as well as intercom and dispatch telephone systems on kolkhozes, sovkhozes and other agricultural enterprises and organizations with a total capacity of 3.3 million subscribers, including 1.8 million subscribers in the 1986-1990 period.

The decree provides that beginning in 1983 the USSR Ministry of Reclamation and Water Management and the reclamation and water management ministries of the union republics (within their respective areas) are to be responsible for performing the functions of client and general contractor in the design and

construction of group water supply lines for agricultural purposes in combination with distribution networks within settlements on kolkhozes, sovkhozes and other agricultural enterprises and organizations.

The USSR Ministry of Reclamation and Water Management, USSR Goskomsel'khoztehnika, and councils of ministers of union republics have been issued a recommendation that they draft and carry out the necessary organizational and technical measures to develop the production capability of specialized organizations making repairs and doing the technical servicing of agricultural water supply facilities so as to complete in 1985 the orderly transfer to those organizations of all agricultural water supply facilities for technical maintenance.

Councils of ministers of union republics and Tsentrsoyuz have been ordered to make provision in draft plans for the 1983-1990 period for further development of retail sales in rural areas, for expansion of the network of up-to-date stores, shopping centers, food service enterprises and bread bakeries in rural localities, while the USSR Ministry of Trade has been given a recommendation that it allocate for sale to the rural population goods in the volume and assortment that ensure fuller satisfaction of the needs for those goods.

Acceptance was given to Tsentrsoyuz's proposal that in the 1982-1990 period it build and put into operation in organizations of consumer cooperatives stores with a sales area of 4.9 million square meters, bread bakeries with a capacity of 17,000 tons of bread and rolls per day, food service enterprises with a capacity of 417,000 places, refrigerated storage facilities to accommodate 196,000 tons, vegetable and potato and fruit storage facilities to accommodate 650,000 tons, and other facilities.

Provision has been made to guarantee further improvement of cultural services to the rural population, development of the network of rural club institutions, libraries and athletic facilities, their staffing with competent personnel and allocation of the necessary physical and technical resources.

The CPSU Central Committee and USSR Council of Ministers have deemed it necessary to extend a number of benefits to teachers, club personnel and other workers and specialists in order to keep them in rural areas.

Approval was given to the initiative of the Komsomol Central Committee on sending every year 30,000-35,000 young men and women to work in rural and reclamation construction on a voluntary basis and 250,000 persons as part of student construction teams, including 25,000 of the former and 120,000 of the latter to work on the farms of the Nonchernozem Zone of RSFSR.

The CPSU Central Committee and USSR Council of Ministers emphasized that social reorganization of rural life is a most important task of the entire state and the entire nation and they expressed confidence that party, soviet and agricultural authorities, trade union and Komsomol organizations, and the personnel of agriculture, construction organizations and industrial enterprises will do everything possible to perform that task.

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CSO: 1827/130

## CONSUMPTION TRENDS AND POLICIES

### UZBEK FINANCE MINISTER DISCUSSES TRADE SERVICES

Moscow FINANSY SSSR in Russian No 2, Feb 82 pp 17-20

[Article by Vali Muradovich Muratkhodzhayev, Uzbek SSR minister of finance: "The Effectiveness of Financial Control over Trade Services"]

[Text] In accordance with the decisions of the 26th CPSU Congress, the production of industrial commodities and consumer goods will be considerably expanded and their quality will be improved in the next few years. Trade will have a more important role to play in the determination of their assortment and quality. Trade orders should set the standards in production.

In the Uzbek SSR public purchasing power has been augmented by the development of retail commodity turnover. Its total volume grew 37.5 percent in comparable prices during the years of the 10th Five-Year Plan. Urban and rural consumers are served by more than 23,400 retail trade enterprises and 17,500 public dining enterprises. In 1980 the plan for commodity turnover in state and cooperative trade, including the public dining sector, was fulfilled, along with the additional assignment, and amounted to 10.1 billion rubles, while commodity turnover in wholesale trade exceeded 5 billion rubles.

The Ministry of Finance and financial agencies in the republic have followed the plan approved by the ministerial board for economic and supervisory work and have made a great effort to institute stricter financial control over the activities of trade organizations and enterprises, the conservative expenditure of funds for their maintenance and the observance of plans and financial discipline.

As a result of joint measures by the Ministry of Trade, the republic union of consumer cooperatives and UzSSR ministries and departments with trade networks, the commodity turnover plan has been fulfilled regularly in the Karakalpakska ASSR, in all oblasts and in Tashkent. In 1980 the number of trade enterprises failing to keep up with the plan was only half as high as the 1975 figure.

The in-depth economic analysis of the annual reports of trade organizations and enterprises, conducted jointly by the Ministry of Finance and financial agencies along with Gosbank establishments, is playing an important role in improving the economic and financial activity of the Ministry of Trade, the republic union of consumer cooperatives and the trade administrations of oblast ispolkoms and the Tashkent city ispolkom, as well as the preparation of conclusions and draft decrees

on these reports, with specific proposals, agreed upon with trade organizations, for the elimination of shortcomings. The results of the analysis and the proposals are discussed by ispolkoms of soviets of people's deputies and by the republic Council of Ministers. Decisions are made on the basis of these results, aimed at the improvement of trade services, the cessation of violations of financial discipline, the reduction of non-productive expenditures and above-norm commodity losses, the improvement of intradepartmental financial control and the monitoring of stocks and receipts in trade organizations.

The measures are having a noticeable impact. The profit and budget payment plan was overfulfilled by the Ministry of Trade and republic union of consumer cooperatives during the years of the 10th Five-Year Plan. The number of trade organizations unable to fulfill the profit plan is much lower and cases involving the use of working capital for unplanned expenditures are less frequent. Intradepartmental financial control has become stricter. Inventory plans are being fulfilled. Audits and inspections reveal less cases of inventory shortages and unplanned losses. During comprehensive audits of local budgets, the auditing administration of the republic Ministry of Finance investigates the activities of trade administrations, trade trusts and consumer cooperative unions.

In 1980 the republic Ministry of Finance and financial agencies conducted 254 inspections of state and cooperative trade organizations. All of the violations and shortcomings they discovered were corrected on the local level, ministries and departments were informed of these cases and reports on some matters were submitted to the Uzbek SSR Council of Ministers.

The discussion of the results of inspections at meetings of the board of the republic Ministry of Finance was extremely effective. For example, the board discussed, and passed the appropriate resolutions on, the results of inspections in the Tashkent city financial agency and seven oblast financial departments of the status of economic and supervisory work in the trade network: how the financial bodies investigated the causes of quality defects and losses of agricultural products in trade enterprises; how accurately surcharges on the enterprise's own products and purchased items were set and charged, as well as the retail prices of beer in public dining establishments; why some state trade organizations cannot fulfill commodity turnover, profit and budget payment plans. The board's resolutions directed the economists of financial agencies to improve economic and monitoring operations in the trade network and to institute more effective financial control over trade services.

Uzbek laborers have been quite successful in consumer goods production. During the 10th Five-Year Plan the Khiva Rug Combine, the Bukhara Cotton Combine, the Kuvasay China Plant and the massive oil-extraction plant in Urgench were opened and are already producing an output, and dairy plants in Angren, Nukus and Andizhan and many other enterprises producing goods for public consumption started operating.

The orders of trade organizations are now serving more effectively as a basis for their business relations with suppliers. This had a favorable effect in 1980: Uzbek industry produced 75.9 million rubles' worth of consumer goods over and above the plan, or 7.1 percent more than the output for the same period of the preceding year.

Republic agricultural enterprises and organizations overfulfilled the 1976-1980 plan for sales of livestock, poultry, milk and eggs to the state. The growth of the industrial and agricultural output resulted in the growth of commercial resources. The relative number of products marked with the Emblem of Quality reached 8.7 percent of the total output, as compared to the planned figure of 8.6 percent. Shipments of many foodstuffs and non-food items to the trade network were noticeably larger in 1980, and this led to the successful fulfillment of the retail commodity turnover plan.

Inspections indicated, however, that not all possibilities had been utilized in the production and sale of consumer goods. Cotton, food and local industry capacities are still being underutilized. The shift coefficient of technological equipment is still low at several enterprises. New facilities are not manned with skilled personnel, shipments of raw materials to enterprises are frequently delayed and losses of working time and equipment downtime are still too high. All of this has resulted in the underproduction of cotton and silk fabrics, leather footwear, refrigerators, vegetable oil, canned fruit and vegetables and other products. There are many hidden reserves on kolkhozes and sovkhozes and at other agricultural enterprises.

Republic financial agency personnel must institute stricter and more effective control during the 11th Five-Year Plan with a view to the unconditional observance of plans and state regulations by republic ministries, departments and enterprises. They must be aided in the maximum use of reserves for the fulfillment and overfulfillment of plans and additional assignments for the production of consumer goods and the delivery of these goods to the trade network.

This applies above all to the managers of enterprises and farms who are still following the old tradition of fulfilling production and sales plans at any price, with no regard for the interests of the client or the state.

In accordance with the 1981 plan for basic economic and monitoring operations, the ministry and financial agencies conducted 656 inspections in state and cooperative trade organizations and enterprises in the Karakalpakska ASSR, oblasts and Tashkent, checking 10 indicators of the state of trade services and financial activity. In accordance with programs drawn up for the inspections, special attention was given to the disclosure and elimination of shortcomings in the organization of trade, the accurate distribution of goods for the market and the efficient and economical use of commercial resources, including meat and dairy products.

In the first half of the year, all trade administrations, oblast unions of consumer cooperatives and 136 trade enterprises were inspected to check the status of commodity turnover and inventory plans at state and cooperative trade enterprises in the Karakalpakska ASSR, the oblasts and Tashkent. Proposals regarding the elimination of shortcomings and violations were submitted to local soviets.

Inspections of the supply of consumer goods at 190 state and cooperative trade enterprises, republic Ministry of Trade offices and Torgodezhda and Obuv'torg trade bases revealed serious shortcomings. The main one was the uneven distribution of commodity stocks among trade systems, oblasts, rayons, cities and trade enterprises. Many of them committed serious errors in orders for consumer goods and bought goods at wholesale fairs and through decentralized channels that were already present in sufficient quantities in warehouses, bases and the retail network, which led to the accumulation of surplus inventory.

When the board of the republic Ministry of Finance discussed the results of the inspections, it informed the heads of some financial agencies that they had not been exacting enough in their demands that industrial enterprises deliver consumer goods on schedule and improve the quality of these goods, had not stopped the production of items not in demand and had not kept strict control over the uniform distribution of consumer goods production units, the timely and complete fulfillment of delivery agreements and the correct purchase of goods at fairs and through decentralized channels.

The Ministry of Finance informed the republic government of the shortcomings that had been discovered and the proposals made with regard to their elimination. Some incidents were discussed in 1980 at the republic conference of trade personnel in Tashkent.

The year-round provision of the population with potatoes, fruit and vegetables is of tremendous national economic importance. The decisions of the July (1978) and subsequent CPSU Central Committee plenums and CPUz Central Committee plenums ordered all links of the national economy engaged in the production, procurement, storage, processing and wholesale trade of potatoes, vegetables and fruit to maintain the quality of the harvest on the highest possible level and satisfy the public demand for produce more fully.

An analysis of the reports of trade enterprises and the findings of studies conducted by the Ministry of Finance and financial agencies in 42 trade organizations to learn the causes of the spoilage of agricultural products revealed many cases of mismanagement. One of the reasons for above-norm losses of produce is the inadequate supply of storage facilities in trade and procurement organizations. There is often negligence in the storage of the vegetables that have been raised and purchased. The produce spoils because it is brought into the trade network and bases in surplus quantities, is put in storage facilities with mud and dirt and without any preliminary processing, or is heaped in containers with no attempt to maintain the correct temperature.

The UzSSR Ministry of Finance sent the republic Council of Ministers a memo about incidents of mismanagement that had been discovered in the purchase, storage and sale of potatoes, vegetables and fruit and proposed ways of keeping agricultural produce fresh. On the orders of the UzSSR Council of Ministers, these proposals were discussed by the appropriate ministries and departments, oblispolkoms, the Council of Ministers of the Karakalpakskaya ASSR and the Tashkent Gorispolkom, which then took measures to correct the shortcomings.

In March 1981, when the UzSSR Council of Ministers discussed the reports submitted by the Ministry of Finance and Gosbank offices on the results of the economic and financial activities of the republic Ministry of Trade and union of consumer cooperative societies, it noted that unutilized possibilities existed in these large trade networks for the further development of commodity turnover, the better organization of trade and the elevation of customer service standards and levels of economic and commercial work.

The system for the provision of the trade network with commodities has not been organized accurately by all consumer cooperatives, and there are frequent shortages

of goods in abundant supply in wholesale bases and warehouses. The industrial enterprises of the consumer cooperative network are not making full use of their capacities and some are producing substandard goods. Many procurement organizations violate the rules governing the purchase of agricultural products from the population and the payment for these products. There are still many reserves in state and cooperative trade for the improvement of financial activity through the cessation of violations of financial discipline, non-productive expenditures and losses, and the use of working capital for the construction of unplanned facilities, major repairs, the payment of debts and the payment of higher interest rates on Gosbank loans.

In accordance with the decisions of the 26th CPSU Congress and the 20th CPUz Congress a sweeping program of social development will be carried out in the republic, just as in the rest of the nation, during the 11th Five-Year Plan. There will be a rise in real public income, the wages of workers and employees and the income of kolkhoz members, and constant efforts will be made to maintain retail price stability. Retail commodity turnover in the republic will increase by 46-49 percent. Self-service and conventional department stores, modern shopping centers, public dining establishments and refrigeration and storage facilities will be established. The ministries of light industry, the food industry, the meat and dairy industry, local industry and the fruit and vegetable industry will develop intraorganizational trade on a broad scale.

Measures are being taken in the republic to improve the work of trade and public dining enterprises, to reinforce their staffs and their material base, to institute the strict observance of the rules of trade and to ensure the correct distribution of products and commodities. Specific measures will be taken to resolutely put an end to the manipulation of scarce commodities, eradicate all forms of mismanagement in the trade sphere and institute stricter control by workers.

One of the most important functions of trade personnel is the ability to maneuver resources flexibly, actively influence production, discover all internal reserves and make full use of them. More effective financial control over the state of trade services will also be needed.

The UzSSR Ministry of Finance board's plan for economic and monitoring work in 1981 stipulates additional measures to intensify the work of financial agencies with state and cooperative trade enterprises and organizations. A letter "On Some Measures To Improve Trade" was sent to the Karakalpakska ASSR Ministry of Finance, oblast financial divisions and the Tashkent city financial agency. These measures should aid in the successful fulfillment of commodity turnover, profit and budget payment plans by trade organizations. In addition, the ministry board plans to discuss the results of inspections of trade organizations on a regular basis. The results of the activities of these organizations during the first 9 months of 1981 testify to the positive influence of financial agencies.

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CSO: 1827/121

## PERSONAL INCOME AND SAVINGS

### ACADEMIC EXPLAINS ELEMENTS OF PUBLIC INCOME

Novosibirsk EKONOMIKA I ORGANIZATSIIA PROMYSHLENNOGO PROIZVODSTVA in Russian No 1, Jan 82 pp 3-22

[Article by S. S. Shatalin, corresponding member of the USSR Academy of Sciences, All-Union Scientific Research Institute of Systems Research of the USSR State Committee for Science and Technology and the USSR Academy of Sciences, Moscow: "Public Prosperity and the Improvement of Distribution Patterns"]

[Text] Adhering to the party's chosen strategy of socioeconomic development, the 26th CPSU Congress specified in its decisions that the main objective of the 11th Five-Year Plan would be "the further enhancement of the well-being of Soviet people by means of the steady and consistent development of the national economy, the acceleration of technological progress, the transfer of the economy to intensive methods of development, the more efficient use of national production potential, the maximum conservation of all types of resources and the improvement of the quality of work." This statement sets forth the objective conditions of national production in the 1980's and the dialectical unity of the means and ends of socioeconomic development. The intensification of production is listed here as the main condition for the resolution of cardinal economic and social problems in the socialist society.

The 11th Five-Year Plan and the decade of the 1980's in general will be an important stage in the progression toward the strategic goal of socialism--guaranteed public consumption at a level corresponding to reasonable demands, representing the economic basis for the consistent implementation of the principles of the socialist way of life. The party has stipulated an increase of 16.5 percent in real per capita income in the new five-year plan and considers the central objective to be the further improvement of the public diet, the fuller satisfaction of public demand for various goods and services, the improvement of housing and consumer conditions, the provision of the laboring public with better medical services and recreational opportunities and the elevation of educational and cultural standards.

The improvement of the system of distribution relations in the socialist economy will play a special role in guaranteeing the thorough and constant enhancement of public well-being.

#### Wages and Public Consumption Funds

There are three main methods of distribution and three corresponding types of income under socialism: wages, public consumption funds and income from subsidiary

and private farming. The two first types are organically inherent in the socialist system and the third depends on the specific historical conditions of its development.<sup>1</sup>

Distribution according to labor is justifiably regarded as the principal, leading form of income distribution in the socialist economy. It is completely consistent with the production relations that have taken shape between the socialist society as a whole and individual workers, and the nature of labor that is not yet the primary necessity of life.

The worker's income, which depends on the quantity and quality of his labor, serves as the basis of economic demands, with the sequence and degree of their satisfaction left to the choice of each individual consumer, more or less consciously maximizing the individual function of well-being. The goods and services that satisfy economic demands are naturally called economic. Wages therefore perform the economic function of distribution in the socialist society.

The distribution of public consumption funds, on the other hand, reflects the relations between the socialist society and its members, thereby performing the social function of distributing income and consumer goods and services. Public consumption funds are employed by society primarily for the maintenance of people who are unable to work. These funds are also needed for the guaranteed satisfaction of demands that society regards as the most significant from the social standpoint, or social priority demands.

Guided by the ideals of socialism, the society disapproves of the differentiation in the satisfaction of social priority demands that stems from "economic inequality" connected with distribution according to labor and from demographic factors giving rise to differences in per capita family incomes. The society does not believe that the satisfaction of these demands should be "farmed out" to individual consumers. This would be contrary to the goals of societal development, the vested interest in the thorough and balanced development of the individual and the goal of creating the socialist way of life.

The goods and services which satisfy social demands should obviously be called social. They are provided to members of society without charge. The goods and services obtained by the laboring public on a preferential basis are of a combined nature. They satisfy a combination of social and economic demands, whose degree of satisfaction is chosen by the individual consumer on the basis of income and personal preferences.

Public consumption funds are now used to satisfy four types of demands to which the socialist society has assigned social priority: the preservation of health, education, cultural and spiritual development and the pre-school indoctrination of children. These functions of public funds must be reinforced and broadened.

Let us look, for example, at the need for health protection. Public health care is organized on a combination socioeconomic basis: The need for basic medical services is satisfied essentially without charge. Many other elements (medicines, sanatorium treatment and special dietary requirements) are provided on an economic or socioeconomic basis. The socialist society is also spending more to improve the conditions of labor and the ecological conditions of life, and even though these

expenditures take the form of capital investments, they "compete" with public consumption funds in the distribution of resources. There is no question that these expenditures must increase, although they put a heavier social and ecological burden on the economy.

Public consumption funds guarantee the satisfaction of certain minimum needs, which the society regards as social in principle but is only obliged to satisfy partially on a social basis during the current stage of economic development. This also applies to education, where VUZ enrollments have had to be limited and the level of satisfaction has thereby been regulated. The strategy in this sphere presupposes the gradual lifting of restrictions, in line with the growth of the economy and societal prosperity, to raise the socially guaranteed level of the satisfaction of social needs. This will increase the number of needs "converted" from economic to social by society by applying the socially guaranteed minimum to them. It is possible, for example, that this principle could become an element of the program for a guaranteed food supply for some population groups in the country.

The economic and social functions of the distribution of income, economic and social demands and goods can be separated objectively, although progress in the socialist society has made them interchangeable to some extent. This kind of separation is an essential condition for a goal-oriented socioeconomic policy of distribution. The confusion of functions could have a negative effect and could reduce the effectiveness of the economic and social functions of income.

The accurate calculation of the wage fund in the national economy is one of the most complex theoretical and methodological tasks. It is part of the more general problem of determining the gross income of the laboring public and dividing the net social product into the necessary and surplus products. The calculation of the cost of manpower reproduction will not contribute much here; the nature and functions of manpower cannot serve as a basis for worker performance evaluations.

The solution stems from the basic economic law of socialism, which serves as the criterion of optimal economic development. The objective goal of national production is the fuller satisfaction of the demands of society's members. If we disregard all complicating factors (which must certainly be taken into account in the practice of socioeconomic planning), we can define the goal of socialist production development as the maximization of worker income (or, more precisely, the total quantity of goods and services it represents). This is, of course, a demand for reproductive, dynamic optimization, organically combining short- and long-range interests. The dynamic maximization of prosperity (or income) determines the fundamental limits of the optimal distribution of national income for current consumption and accumulation and the best division of the net product into its necessary portion and the product for society.

After the gross income of the laboring public is calculated, the problem of distributing it among wage funds and public consumption funds arises. The point of departure here is the precise separation of the economic and social functions of income, the determination of the economic and social needs that must be satisfied and the level, urgency and possibility of their satisfaction during the given stage of economic and social development.

It is hardly possible to discuss a priori, without a thorough analysis of all factors, the objective law governing the comparative growth rates of the wage fund and public consumption funds. The experience of the USSR and other socialist countries has indicated that public consumption funds tend to grow more quickly than the wage fund, although the correlation between growth rates has varied at different times.

No universal conclusions should be drawn from this fact, however. In particular, it cannot be regarded as the rule in the correlation of the growth rates of wage and public consumption funds in long-range socioeconomic planning. It states only the specific conditions of historical development and the need for the intensive and rapid resolution of urgent social problems in the socialist countries in connection with the protection of public health, the elevation of cultural and educational standards, the improvement of pension security, etc.

Nevertheless, the historical trend in the socialist economy has been the quicker relative growth of public consumption funds in total income. A higher level of economic development means that socially guaranteed satisfaction can be extended to a broader group of public demands. The actual socioeconomic situation must be taken into account at all times, however, and the historical process must not be artificially propelled. The extremely urgent problem of organizing an effective system of economic incentives for workers and differentiated wages can apparently be solved only if the growth rate of the wage fund is high enough. In line with these specific conditions, the 11th Five-Year Plan stipulates an increase of 14.5 percent in the average monthly wage of workers and employees, 20 percent in the income of kolkhoz members from the public farming sector and 23 percent in public consumption funds.

#### **Distribution According to Labor and the Effectiveness of National Production**

Consistent adherence to the principle of distribution according to labor and the provision of labor collectives with an effective system of economic incentives for more efficient national production lie at the heart of the problem. Works by economists from our country and other socialist countries have repeatedly pointed out the many unresolved aspects of this matter. No effective connection has been established between wages and the individual worker's contribution to final national economic results and no sound criteria have been worked out for the differentiation of wages. Wages often perform social functions for which they are unsuited although they "must be earned everywhere and each worker must sense their direct dependence on his contribution to collective achievements in production."<sup>2</sup>

Consistent adherence to the principle of distribution according to labor is being noticeably impeded by the prevalence of extensive factors of economic growth and the excessive and sometimes even artificial demand for labor due to inefficient production and defects in the economic mechanism. The shortage of labor resources distorts the connection between the degree of labor and consumption, which becomes more difficult to control in the public interest.

After the wage fund has been formed, the equally complex problem of its distribution among participants in socialist production according to the quality and quantity of their labor arises. How should the contribution of each worker be assessed? The objectively determined assessments of labor resources in the optimal plan for

national economic development provide a comprehensive answer to this question. They indicate how much the criterion of optimal socialist economic development will be augmented by an additional unit of manpower or by a particular skill. In view of the fact that the maximal satisfaction of worker demands, measured according to the social utility of goods and services, is the criterion of optimal development, the evaluation of any type of labor depends on its contribution to the enhancement of social utility. This appears to be a constructive approach to the "eternal" problem of labor reduction, which cannot be solved "from within" in principle without going beyond labor expenditure limits. This approach can establish an organic connection between wages and the worker's contribution to final national economic results.

The established minimum wage plays an important role in the wage system. There is the opinion that the minimum wage provides the minimum subsistence needed for the reproduction of simple, unskilled manpower. It is difficult to agree with this opinion. The minimum wage theoretically represents the contribution of unskilled labor to the results of national production, and not the cost of its replacement.

When the minimum wage is viewed as a guaranteed level of prosperity, it is forced to play a social role for which it is unsuited and which is actually played by public consumption funds (although it must be said that this function is partially taken into account in practice). Obviously, the minimum wage cannot fall below the minimum labor contribution to the results of national production or it loses its economic purpose. Consequently, the difference between the minimum wage and the minimum contribution is essentially an element of public consumption funds, with its social function simply camouflaged by an economic form. There is an indisputable contradiction here. If the economic dimension of the income scale is disrupted (and the minimum wage is supposed to serve precisely as this dimension), the entire system of wages will be disrupted.

One form of wage increase is the payment of bonuses from the material incentive fund of self-funded production associations and enterprises. This system is supposed to establish an organic connection between individual and collective incentives and certainly represents a step in the right direction. It is essential that the economic mechanism precisely delineate the results of the personal efforts of labor collectives. Further improvement is needed in the normatives governing the formation and distribution of incentive funds, the interrelations between self-funded production units and the budget and methods of evaluating material, labor and natural resources.

One important condition for the improvement of wages and economic incentives is the creation of a system of economic planning and organization that will aid in the fulfillment of production obligations with less manpower, the organized freeing of manpower and the reduction of the manpower shortage. The new economic mechanism has created certain prerequisites for this. They must be thoroughly reinforced and developed, with particular effort to heighten the planning independence of self-funded units in the regulation of employment and the utilization of the planned wage fund.

The establishment of an efficient system of wages for workers in the sphere of non-physical production is a problem of great socioeconomic importance. Wages in this sphere are based on a system of centralized rates and are not raised

automatically, as in physical production, to match production growth and labor productivity.

Statistics indicate that although wages in non-physical production have risen systematically, the average wage in this sphere in comparison to wages in physical production declined between 1961 and 1980. This is certainly a negative trend in socioeconomic development. To some degree, it stems from the inaccurate belief, which is inconsistent with present conditions and objectives, that non-physical production does not contribute to economic growth (because it supposedly does not create national income) and even limits this growth by diverting resources for its own development.

In fact, non-physical production has an extremely positive effect on the efficient use of resources in physical production and, consequently, promotes high and stable economic growth rates, without limiting this growth in any way. It is time to revise obsolete views in economic theory and in the planned management of socio-economic development.

#### **The Role of Public Consumption Funds**

The fundamental factors involved in the formation of the gross income of the laboring public and the division of this income into the wage fund and public consumption funds were discussed above.<sup>3</sup> This requires some clarification: When the gross income of the population is categorized according to its main sources, public consumption funds do not resemble a homogeneous macroeconomic indicator. Although they represent a specific type of distribution, they perform two completely different functions: the maintenance of those who are unable to work and a source for the combined satisfaction of social priority demands regardless of wage differences. Total public income therefore consists not in the wage fund and public consumption funds, but in the wage fund, the fund for the maintenance of people who cannot work (and for other social monetary compensation) and the fund for the joint satisfaction of social priority demands in natural form. Total income is therefore primary in relation to these elements and can be broken down into them. Public consumption funds are secondary in relation to their constituent parts, and cannot be broken down into these parts but represent a combination of them. This theoretical fact is of considerable importance in effective socioeconomic distribution.

The answer to one other theoretical question is extremely important. Public consumption funds are sometimes assigned the function of correcting disparities in per capita income and "compensating" for the defects of distribution according to labor. The main argument is that in the absence of public consumption funds, demands would be satisfied as purely economic needs and there would be greater "economic inequality." It seems that appearance is being confused with reality here and that some effects are being confused with the causes of particular functions of distribution. The hypothesis with regard to the absence of public consumption funds in the socialist society is an example of pseudotheoretical abstraction which was ridiculed by V. I. Lenin in his work "Imperialism as the Highest Stage of Capitalism." The principle of distribution according to labor could not be adhered to with any consistency at all if the socialist society had no public consumption funds because it would be impossible to combine the two objective functions of distribution--economic and social.

When public consumption funds are formed and distributed in the socialist society, the reduction of disparities in income and consumption is not regarded as a goal in itself, even if it stems from more than just economic causes. This would undermine the very basis of distribution according to labor and, eventually, the source of public consumption fund growth. When the society guarantees pension security, for example, it proceeds from the fact that a primary social need exists and that its satisfaction is of the highest priority. The society is not striving, however, to reduce differences in per capita income (although this can be a side-effect of society's efforts). The socialist society pays stipends for children because it assigns social priority to the need to indoctrinate children and to stimulate a specific type of demographic process.

At the same time, public consumption funds provide an opportunity for purposeful efforts to limit disparities in income and consumption. For example, the socialist society regards the eradication of the low-income family as a social need of the highest priority. It is true that this can only be accomplished through strictly goal-oriented payments, and not by raising, for instance, the wages of certain categories of laborers. This form of social security is applicable only to groups of families with an income level that does not guarantee the minimum necessities of life. It must be built in such a way that the basic principles of distribution according to labor are not violated.

As far as the main problems in the improvement of the functions of public consumption funds are concerned, we believe that the improvement of the pension security system is the primary objective. A pension reform was conducted 25 years ago and played a fundamental role in the enhancement of public well-being. The country is now entering another stage of socioeconomic development, however, and new problems have arisen. The demographic structure of the population is such that there will be many more retired individuals in our country in the year 2000 than there are now.

A higher level of pension security for the laboring public is one of the main aspects of the current plans for the improvement of the policy of income distribution within the near future.

In accordance with the social program approved by the 26th CPSU Congress, the party and government have resolved to continue improving the pension security of the population.<sup>4</sup> Research to work out reasonable consumption budgets for retired individuals will be an important part of the purposeful and effective work in this area. We believe that a socioeconomic mechanism should also be established to adjust pension levels in line with the public standard of living in general and retail price dynamics.

There is no question that the expansion of the practice of paying families stipends for children is an important way of improving distribution policy by means of public consumption funds. This practice should be coordinated with a broader variety of methods of satisfying demands in natural form (free textbooks, school uniforms, breakfasts, etc.) and longer paid maternity leaves for working women. It would be wrong to regard these measures only as means of stimulating a specific demographic process. They are of great social value in themselves. Of course, it is also true that, in combination with other socioeconomic decisions (and only in this case), they will have a positive effect on the demographic situation.

One of the strategic goals of the more efficient use of public consumption funds is the reduction of differences in the quantity and quality of services in various economic regions, large, medium-sized and small cities and rural locations. This particularly applies to regions in Siberia and the Far East, whose settlement will depend to a considerable extent on the stepped-up development of the social infrastructure and public consumption funds.

The resolution of another serious problem is an important condition for an effective socioeconomic policy of distribution. This problem concerns the "departmental" aspect of public consumption funds, especially public health care, the pre-school indoctrination of children (in nurseries and kindergartens) and housing.

The existence of departmental public consumption funds has traditionally been justified by the need to concentrate efforts in key areas of industrial development and to use these funds as a means of attracting and retaining personnel, providing them with additional incentives, etc. Nevertheless, departmental affiliations are contrary to the nature of public consumption funds. This disparity places considerable restrictions on the possibility of the socially balanced resolution of some urgent problems.

#### Housing and Distribution According to Labor

Housing occupies a specific, central position in the hierarchy of the formation and satisfaction of socioeconomic demands. A massive housing program is being carried out in our country, but the demand for housing is rising quickly and housing is still one of the most scarce commodities. The housing conditions which seemed more than acceptable 20 years ago are no longer satisfactory. In addition, housing is distributed quite unequally among population groups, cities and economic regions. Differences in housing conditions surpass differences in income levels. Much of the housing in our country is still of poor quality. The amount of new housing completed each year has stayed the same for 20 years, although its quality has risen. The proportion accounted for by investments in housing and utility construction in total capital investments is decreasing. The resolution of problems in this area will require a comprehensive approach, including changes in resource distribution patterns.

As we know, most housing is built by the socialist state, which distributes it without charge, as a social privilege. Rent covers only part of the costs of housing and municipal services and the difference essentially represents public consumption funds. Part of the population treats housing as an economic commodity by improving housing conditions through cooperative and individual construction. It costs these people 8 to 10 times as much to satisfy their demand for housing as it costs those who receive it for free. The present situation in the distribution of housing is therefore characterized by social and economic inequality. Housing has essentially been excluded from the influence of the law of distribution according to labor, economic incentives and the influence of commodity and money relations.

The present principles of housing distribution took shape in the Soviet society in the 1920's. At that time certain objective factors existed, such as the low standard of living and the inadequate supply of available housing, the detached dwellings of rural inhabitants, who constituted the majority of the population,

the need for intensive industrialization and the rapid growth of the urban population, which could not satisfy its need for housing on an economic basis.

Now the situation has changed dramatically. The time has come to change the principles of residential financing and distribution and bring them in line with the present conditions of socioeconomic development.

The "Fundamentals of Housing Legislation of the USSR and Union Republics," in force since 1 January of this year, represent a major advance in the improvement of distribution patterns. Their further development could probably be connected with the institution of a guaranteed minimum of residential space, within the framework of which housing would be provided without charge, as a social commodity. It will become the material guarantee of the Soviet people's constitutional right to housing.

Housing represents a social commodity only to the degree that it satisfies the basic vital need for housing, the level of which depends on actual economic conditions, including the degree to which other social priority demands are satisfied. Housing over and above the basic socially guaranteed level is becoming a conventional economic commodity, with the degree and sequence of the satisfaction of this demand determined by the individual consumer. The improvement of housing over and above the socially guaranteed minimum could mean special payments to cover capital and current outlays. In our opinion, this principle is consistent with socialism and organically coordinates the economic and social functions of distribution.

The distribution of housing on the basis of the socially guaranteed minimum of residential space does not inhibit the expansion of individual and cooperative construction. Laborers have social guarantees for free housing and also have the chance to choose the most acceptable way of satisfying their demand for housing. If this choice is to be reasonable and be governed by equal economic opportunities, however, cooperative and individual construction must be reinforced economically and organizationally, inheritance, sale and gift rights must be extended to cooperative housing, etc.

One of the arguments against this principle of residential financing and distribution is the allegation that this will not augment housing construction resources. It is true that increased capital investments in housing and utility construction represent the main way of improving housing conditions quickly, but are the resources that society could use for housing construction so invariable with regard to the principles of residential financing and distribution? Probably not. The inclusion of a large part of housing in the sphere of economic commodities will mean that the consumer will reconsider the sequence and degree of the satisfaction of various economic demands. This will result in the redistribution of societal resources allocated for the creation of the material conditions for the satisfaction of a particular demand. It is essential that this principle of residential financing and distribution lead to the more efficient use of available housing, which, as we have pointed out, is distributed quite unequally, without any valid socioeconomic grounds.

#### Striving for Balance in the Consumer Market and in Production

The effectiveness of the system of distribution depends largely on the conditions of the development of the consumer sector of the economy and the balance between

consumer demand and the goods and services covering this demand. Theoretically, the distribution of consumer goods and services to satisfy economic needs corresponds to, or, more precisely, depends on, the distribution of monetary income only if a macro- and micro-economic balance exists between consumer demand and supply.

There is no question that the absence of balance restricts the consistent payment of wages according to labor and the effectiveness of economic incentives and leads to the inefficient redistribution of income as a result of speculation, unjustifiably high prices in an unorganized market, the offer of private services, etc. The lack of balance has a particularly negative effect on population strata with a fixed income. All of this attaches special significance to the balance of supply and demand in the consumer sector of the economy, which largely determines the overall balance of national economic development.

The accelerated growth of the production of consumer goods and services, the considerable expansion of their assortment and the improvement of their quality naturally constitute the material basis for the steady resolution of problems over the long range. The party and state are making a special effort to provide the population with high-quality food, especially meat products, vegetables and fruit. "The food program and the program for the development of consumer goods production are being drawn up and will be carried out."<sup>5</sup>

The institution of a socially guaranteed housing minimum and the expansion of paid services could be one of the factors balancing demand with the supply of goods and services. It would be extremely difficult to provide for the reliable and dynamic resolution of the problem of balance in the consumer sector only by means of the expanded production of goods and services. An important role must be played by an active socioeconomic policy in the distribution of income and the establishment of retail prices.

These methods of improving the system of wages in the national economy could establish effective planned control over the growth of public monetary income by relating it closely to the productivity of social labor and the possibility of producing more consumer goods and paid services. The new principles of wage fund planning on the basis of a normative approach will make an important contribution to the resolution of this problem.

Tax policy must also be more active. In particular, agricultural tax rates for private farms should be revised so that the tax corresponds to the rent differential. Changes in the principles of individual taxation with a view to per capita income levels should be considered. The main thing is that the policy of regulating monetary income should be based directly on the possibility of expanding the production of goods and services with consideration for differences in the elasticity of demand in population groups with differing per capita income levels.

The planned regulation of the retail price system will also be an important part of the measures to solve problems in the satisfaction of consumer demand. The main purpose of retail price policy, as stressed in documents of the 26th party congress, is the creation of the necessary economic and organizational conditions for the guaranteed stability of the prices of the main commodities. This does not exclude the possibility that these prices can be changed with a view to supply and demand.

This can be accomplished through the systematic expansion of the production of consumer goods and paid services, the enhancement of their quality and the distribution of monetary income on the basis of the principle of differentiation according to labor in accordance with the worker's actual contribution to final national economic results.

Retail price policy pursues the goal of improving price ratios in line with the conditions of supply and demand, but not by lowering the real income of any social strata in the socialist society. It should also be borne in mind that changes in average retail price levels will affect (although to varying degrees) the well-being of all categories of laborers, while income distribution affects the standard of living of individual population strata. This is why these two ways of enhancing public well-being require flexible combination.

The satisfaction of consumer demand will be of cardinal importance in an effective socioeconomic policy of distribution, the creation of an effective system of economic incentives and the organization of more efficient, balanced national production, and will be of social, moral and ethical value in itself. We believe that the time has come, therefore, to draw up a special national economic program for the period up to 1990 to balance supply and demand in the consumer sector of the economy.

The improvement of distribution patterns must be based on the appropriate system of indicators of social processes. This will require several methodological improvements.

The construction of a public consumption funds index is still a complex problem. These funds are now calculated as total state expenditures on the performance of various services and include day-to-day expenditures and the wages of workers in these branches. Their growth index is therefore calculated essentially in mixed (partly constant, partly current) prices and represent the dynamics of the expenditures connected with their acquisition, and not the dynamics of their results. The resolution of this problem will require special research to work out the methods of evaluating the product of public health care, education, etc.

The present system of planning and accounting does not include the growth of public savings in real income. For this reason, price changes within any given year have no effect on the indicator of real income if they change only the growth of savings and not the volume of current consumption. It seems to us that this practice is inconsistent with the nature of real income and could lead to perceptible errors in the evaluation of income dynamics.

The consistent theoretical and practical resolution of these problems could heighten the effectiveness of the socialist society's socioeconomic policy in the improvement of distribution relations.

#### FOOTNOTES

1. This fact cannot serve as a basis for the artificial, socially and economically unjustified separation of public income from subsidiary and private farming.

2. L. I. Brezhnev, "Leninskij kursom" [Following in Lenin's Footsteps], vol 3, Moscow, 1973, p 479.
3. Several theoretical and practical aspects of the problem were discussed with V. G. Grebennikov and O. S. Pchelintsev. See EKONOMIKA I MATEMATICHESKIYE METODY, 1976, No 4.
4. PRAVDA, 6 September 1981.
5. "Materialy XXVI s"yezda KPSS" [Materials of the 26th CPSU Congress], Moscow, Politizdat, 1981, p 104.

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CSO: 1827/120

## PERSONAL INCOME AND SAVINGS

### SAVINGS BANK ACTIVITY REPORTED

Moscow DEN'GI I KREDIT in Russian No 3, Mar 82 pp 16-22

[Article by Chairman of the Board of the State Workers' Savings Bank P. V. Ryndin: "Responsible Tasks of Savings Banks"]

[Text] In December 1982 the workers of the savings banks of our country will mark the 60th anniversary of the organization of the State Workers' Savings Bank. The instructions of V. I. Lenin on the need to have as many credit institutions as possible in the cities and rural population centers in order to create for the population the maximum conveniences for making monetary transactions were the basis for the organization of the network of Soviet savings banks. Since the first days of their existence Soviet savings banks have been placed at the service of the workers. The assets of the population, which are attracted by them, have contributed to the successful realization of socialist industrialization, the development of the national economy and the strengthening of the defense of the country.

The system of the USSR State Workers' Savings Bank has now turned into the largest credit institution. It has a qualitatively new, extensively branched network. At present 80,000 savings banks are engaged in serving the population.

Practically every family uses the services of savings banks. This is helping the workers to organize more correctly their personal and family budgets, to spend efficiently their wages and other monetary income, which are received from state enterprises and cooperative and public organizations, and to make monetary payments. By means of regular and periodic deposits of sums in deposit accounts the workers have the opportunity without detriment to the meeting of everyday needs to save the necessary assets for the purchase of durable goods, the acquisition of tourist travel authorizations and for other purposes.

The role of savings banks in the economic life of the country is steadily increasing. The deposits of the population, which are accumulated by savings banks, are allocated for lending to the national economy. Through the credit mechanism the monetary savings of the population reenter the process of circulation, maintaining the continuity of social reproduction and promoting its acceleration and the increase of the national income. By making deposits in savings banks, the workers are actively participating in the accomplishment of the tasks of the economic development of the country.

The results of the work of savings banks during the 10th Five-Year Plan attest that they ensured the further development of the savings business. The tasks of the introduction of noncash transactions of the population with trade, municipal and other enterprises, the organization of the work on the payment to workers of monetary income through savings banks and the improvement of the service of the population were actively worked on.

The balance of deposits during this period increased by 72 percent, the number of accounts of depositors increased by more than 33 percent. The average amount of a single investment increased from 854 to 1,102 rubles. The savings banks of the Belorussian, Georgian, Azerbaijan and Moldavian union republics, where the balance of deposits increased to a greater extent than on the average for the USSR, performed the most active work on attracting the assets of the population.

The volume of transactions being made by savings banks is increasing annually: in 1980 821 million deposit transactions were performed, or 1.4-fold more than in 1975.

During the 10th Five-Year Plan the work on the introduction of advanced forms and methods of serving the population and on the extensive development of noncash transactions was stepped up. During 1976-1980 87.5 billion rubles entered deposits by noncash means, which is 2.4-fold more than during the years of the Ninth Five-Year Plan. In the republics and oblasts, where the administrations and savings banks are devoting the proper attention to this question (the Belorussian, Lithuanian and Latvian union republics, a number of oblasts of the RSFSR), the non-cash transfers of assets to deposits underwent good development. The situation is worse in the Uzbek and Turkmen SSR's, where the development of transactions on the transfer to deposits of sums from the monetary income of the workers is occurring extremely slowly.

In the system of socioeconomic measures on the increase of the efficiency of social production and the increase of the material and cultural standard of living of the people the questions of improving the wages and settlements with workers hold an important place. Therefore, the system of the USSR State Workers' Savings Bank is devoting serious attention to the increase of the transactions on the payment of wages to workers and employees and the monetary wages of kolkhoz farmers through savings banks. The payment of wages through savings banks has a beneficial effect on the organization of the money circulation and promotes the increase of the number of depositors and the amount of their savings. The indicated form of settlements promotes the improvement of the service of the workers and has a positive influence on the increase of the productivity of their labor. During the years of the 10th Five-Year Plan more than 4 million workers, who work at 13,300 enterprises and organizations, were converted to this form of settlements on wages.

Much work on the introduction of the procedure of settlements on wages through savings banks with the support of party, soviet and trade union organs was performed in the Belorussian SSR, where 1.3 million people, or 27 percent of the total number of workers of the republic, now use this type of services. Good results were also achieved in this work in a number of autonomous republics, krays and oblasts of the RSFSR, the Ukrainian SSR and the Kazakh SSR. Thus, in Karagandinskaya Oblast more than 89 percent of all the miners of the oblast receive their wages through savings banks, while in Donetskaya Oblast more than 59 percent of the workers, who work at enterprises of the coal industry of Donetsk, do so.

At the same time in the republics of Central Asia, the Moldavian and Estonian SSR's the savings banks did not implement actively enough measures connected with the conversion of labor collectives to the new procedure of settlements on wages.

During the 10th Five-Year Plan in conformity with the decisions of the 25th CPSU Congress and Decree No 238 of the USSR Council of Ministers of 13 April 1976 the savings banks took steps on the further development of noncash transactions with trade, municipal and other organizations. The total amount of the noncash transactions of the population through savings banks for goods and services in 1980 came to 6.2 billion rubles as against 3.1 billion rubles in 1975, while in all during the years of the 10th Five-Year Plan the amount of these transactions exceeded 23 billion rubles.

The clearing house checks of the USSR State Workers' Savings Bank, which are being used extensively by the population when paying for industrial goods, are an important form of noncash transactions. During the 10th Five-Year Plan the volume of the commodity turnover with payment by checks increased to 21.6 billion rubles. By the end of the five-year plan about 10 percent of the nonfood consumer items with a value of more than 200 rubles, which are sold by state and cooperative trade, were paid for by clearing house checks. The use of clearing house checks made it possible to decrease considerably the expenditures of labor of the workers of savings banks, stores and institutions on the counting and collection of cash.

The amount of the noncash transactions on the payments of the population for the apartment, municipal and other services during the years of the 10th Five-Year Plan increased from 137 to 319 million rubles. Measures on the combination of the basic payments of the population into a single payment document were implemented for the purpose of improving the service of the population and improving the work of savings banks. The payments for the apartment, gas, electricity, telephone and municipal services are now made in such a manner in the majority of union republics. The use of a single payment document makes it possible to improve the service of the population, to reduce to less than one-half the number of operations and to decrease the material and labor expenditures.

Even more responsible tasks face the system of the USSR State Workers' Savings Bank during the 11th Five-Year Plan. It is envisaged by the Basic Directions of USSR Economic and Social Development for 1981-1985 and the Period to 1990 to ensure the development of the savings business, to improve the forms of the service of the population by savings banks and to provide for their more complete supply with computer hardware and the necessary equipment.

It is necessary for the words of Comrade L. I. Brezhnev, which he pronounced at the 26th CPSU Congress, to reach the heart of every worker of the savings banks: "The specific concern about the specific person, his needs and demands is the alpha and omega of the economic policy of the party. I am recalling this in order to stress once again the simple, but also very important idea: the production of goods for the population and the development of services are the foremost matter of the party. That is how it is necessary to treat it."

The extensive program of the further increase of the well-being of the Soviet people, which was outlined by the 26th CPSU Congress, encompasses all aspects of their life--consumption and housing, working and living conditions, culture and

recreation. During the 11th Five-Year Plan the per capita real income will increase by 16.5 percent; the average monthly wage of workers and employees will increase by 14.5 percent, while the pay of kolkhoz farmers in the public sector will increase by 20 percent. Public consumption funds will increase by 23 percent and by the end of the five-year plan will come to 144 billion rubles. All this creates good prerequisites for the further development of the savings business, to which the results of the work during the first year of this five-year plan attest. The amount of the deposits increased during the year by 9.2 billion rubles and by 1 January 1982 came to 165.7 billion rubles. The basis plan on deposits for 1981 as a whole for the system of the State Workers' Savings Bank was successfully fulfilled, the institutions of the State Workers' Savings Bank of the RSFSR, the Ukrainian SSR and the Lithuanian SSR ensured its fulfillment, while the savings banks of the Uzbek, Azerbaijan, Tajik and Armenian union republics fulfilled the plan with allowance made for the additional assignment.

At present the organs of management of the USSR State Workers' Savings Bank in the union republics are subordinate to the councils of ministers of the union and autonomous republics, to the corresponding executive committees of the local soviets of people's deputies and to superior organs of the system of savings banks. On this basis, the tasks set for savings banks by the 26th CPSU Congress should be accomplished in close contact with and with the assistance of the executive committees of the local soviets.

At the 26th CPSU Congress it was emphasized that the solution of the problems facing the country and the utilization of the potentials it has in many ways depend on the level of management, planning and administration. The further increase of the role of planning as the central unit in management and the degree of its influence on the efficiency and quality of work makes it incumbent to improve the organization of economic work in the administrations and savings banks. The in-depth study of the socioeconomic processes influencing the formation of the savings of the population and the identification of the additional reserves for their attraction to deposits and for the comprehensive development of noncash transactions should become its main content. It is necessary to enhance the role of economic service in the development and strengthening of the cost accounting of the USSR State Workers' Savings Bank. Particular attention here should be devoted to questions of the reduction of the cost of attracting deposits and making transactions, the enhancement of the role of these indicators when evaluating the activity of collectives and stimulating them for the purpose of achieving high end results.

In light of the requirements ensuing from the decisions of the 26th CPSU Congress, the workers of savings banks have to do much on the improvement of the forms of the service of the population. At present in the Tajik SSR motor vehicle lottery deposits have been introduced as an experiment; in some cities of the RSFSR, the Ukraine and Moldavia time accounts with additional deposits are being accepted; the practice of accepting special-purpose deposits for the purchase of passenger cars is being extended (such deposits have been introduced in a number of ASSR's and oblasts of the RSFSR for workers employed in the construction and operation of most important national economic projects). A number of other measures in this direction are being elaborated.

During the current five-year plan the volume of transfers to deposit accounts of the monetary income of the workers, including the payment of wages, should increase

to 145-150 billion rubles. The Board of the USSR State Workers' Savings Bank has sent to the administrations and central savings banks materials which describe the advanced experience of the work on the payment of wages through savings banks in the Belorussian SSR. On the basis of this experience it is necessary to increase the indicated operations in every possible way, relying on the assistance of the soviets of people's deputies, party and trade union organs. This work should be performed jointly with the enterprises and organizations, ministries and departments of the appropriate sectors of the national economy.

In 1981 the total amount of the noncash transfers to accounts of the monetary income of the workers came to 26 billion rubles, which is 13 percent more than in 1980. The savings banks of the Azerbaijan and Armenian SSR's, at which the amount of noncash deposit receipts in 1981 increased as compared with 1980 by 30-40 percent, achieved substantial results in this work. The assignments set with respect to these operations for the country as a whole were fulfilled quarterly. The savings banks of all the union republics (with the exception of the Uzbek, Turkmen and Estonian union republics) fulfilled the annual assignments. During the past year about 700,000 workers, employees and kolkhoz farmers were converted to the payment of wages through savings banks, while in all by 1 January 1982 5.5 million people received their wages at savings banks.

During the 11th Five-Year Plan it is necessary to increase considerably the check turnover in the case of the payment by the population for industrial goods, to develop persistently the noncash payments of depositors for goods purchased in the stores of consumer cooperatives and to improve the transactions on the transfers of sums from deposit accounts for the payment for motor vehicles and other goods. As a whole during the five-year plan the volume of noncash transactions will increase to 40 billion rubles.

Important tasks are arising for the workers of savings banks in connection with the issuing with the permission of the USSR Government for floating among the population of the new freely circulating 1982 State Domestic Lottery Loan. The main task is to ensure the successful realization of the new loan among the population on the basis of comprehensive mass explanatory and organizational work. The executives of the administrations of the State Workers' Savings Bank and the central savings banks need to set up strict control over the constant availability at all savings banks of bonds of the new loan and over the implementation of all other organizational measures.

The improvement of the service of the population is inseparably connected with the expansion and the organizational strengthening of the network of savings banks. During the 10th Five-Year Plan savings banks received more than 10,000 service premises, which is approximately 1.5-fold more than during the Ninth Five-Year Plan. The number of savings banks with permanent staff members increased by 10,800; the number of operational sections and savings banks of category I, which serve the population for 10-12 hours a day, increased by 1,500 and amounted to more than half of their total number. At present the majority of savings banks in cities afford workers the opportunity to use their services on Saturday, while some also do so on Sunday.

It is also necessary to devote particular attention to these questions in the future. The improvement of the work schedule of savings banks should be organized so that their hours would not coincide with the working time of the bulk of the

workers and they could make transactions at a convenient time. At present the savings banks have the opportunity, for the purpose of lengthening the hours of savings banks, along with the organization of shift work and the shifting of the opening and closing times to adopt schedules with the division of the workday into two parts with a break in work of more than 2 hours. At present the managers of the central savings banks have been granted the right to establish for the workers, who directly serve the population, supplementary payments in the amount of up to 30 percent of the salary or piece-rate wage for work according to a schedule with the division of the workday into two parts. The implementation of measures on the adoption of such schedules must be ensured wherever they will effectively promote the further improvement of the service of the workers.

The utmost mechanization and automation of the transactions made by savings banks, which is of the greatest importance for increasing the labor productivity of the workers, are an urgent task. It is acquiring particular importance in light of the requirements of the party on the economy and more efficient use of manpower resources.

During the 10th Five-Year Plan savings banks received 111,000 automatic bookkeeping machines, adding machines, computers and cash registers, or twofold more than during the Ninth Five-Year Plan. In 1981 19,300 highly productive machines were received by savings banks. This made it possible to additionally mechanize the recording of deposits at 310 central savings banks, to increase the labor productivity of transaction cashiers and accounting workers and to improve the service of the population. At present more than 3,000 savings banks are carrying out the mechanized registration of deposit transactions, while 37,000 are carrying out the receipt of payments of the population with the use of cash registers. An automated system for the processing of information (ASOI) of savings banks on deposit transactions has been adopted in Kuybyshevskiy Rayon of Leningrad. An experiment of the processing of deposit documents by the rayon information computer center of the oblast statistical administration is being conducted in Cherkassy; the Vklady ASOI is being adopted in Odessa on the basis of the computer of the computer center of the oblast office of Gosbank. In 1979 the first computer center in the system of the USSR State Workers' Savings Bank with the use of electronic calculating and computing machines was set up in Moscow in the city administration. Life urgently requires the enlargement of the group of tasks performed with the use of computer hardware, especially automatic electronic bookkeeping machines, having ensured their efficient introduction for the making of deposit transactions at savings banks and for bookkeeping. The newly arriving computer hardware must be introduced more rapidly, the operating potentials of computers and cash registers must be utilized to the utmost, by improving the organization of the maintenance and repair of computer hardware.

The adoption of the "State Workers' Savings Bank--Moscow" ASOI will be achieved during the 11th Five-Year Plan. This system will make it possible to solve as a set the problems of automating the accounting and cash transaction work of savings banks and to increase the standards and quality of the service of the population. The solution of this problem at the savings banks of Moscow will create an opportunity to begin work on the adoption of the automated system for the processing of information in other large cities. The work in the area of the automation of the operations of savings banks on the payments of the population on the basis of the computer centers of the offices of Gosbank, the USSR Central Statistical

Administration, as well as the ministries of housing and municipal services of the union republics will be continued.

Under the conditions of the further broadening of the functions of savings banks well-organized mass explanatory, advertising and information work and the extensive promotion of the operations performed by savings banks are of great importance. All advertising information should show comprehensively the benefits and advantages, which savings banks offer the population. Along with the preparation of posters, notices and leaflets the local press, the cinema, television and radio must be used more extensively for the promotion of the savings business, the delivery of reports and the holding of discussions and question-and-answer evenings in collectives of workers must be organized more actively. In order for the experience of the best collectives and leading workers to become accessible to all savings banks, the administrations of the State Workers' Savings Bank and the central savings banks should increase the role and importance of public reviews of the work of savings banks, enlisting more extensively in this important matter the trade union aktiv and the commissions for the promotion of the savings business.

The continuous development of the network of savings banks and the increase of the volumes of the operations being performed are making great demands on the organization of accounting and cash transaction work. It is necessary to implement more actively the elaborated measures on the improvement of the organization of accounting and the enhancement of its role in the efficient and economical use of assets. The systematic implementation of measures, which ensure the effective monitoring of the safekeeping of the monetary assets and valuables entrusted to savings banks and the improvement of the quality and effectiveness of the conducted audits and document checks, will remain henceforth an important task.

The successful accomplishment of the tasks facing the system of the USSR State Workers' Savings Bank depends in the end on the people, on their attitude toward the matter and on the thorough understanding by each worker of the importance of his contribution to the accomplishment of the common tasks. Therefore the new five-year plan is making greater demands on the selection, placement and training of personnel. Much has to be done for the improvement of the qualitative composition of the personnel, the manning of nomenclatural positions with specialists and the increase of their business skills and level of economic knowledge.

During the current five-year plan it is planned to give further training to 41,000 workers with leave from work. Particular attention will be devoted to the increase of the skills of the administrative staff of the institutions of the USSR State Workers' Savings Bank. It is important to ensure the proper and most efficient use and attachment of young specialists and the creation for them of the necessary housing, living and production conditions and to increase the attention to questions of the education of young people.

Under present conditions we should be concerned not only about the increase of the business skills and economic knowledge of personnel, but also about the development among them of a broad ideological and political outlook and the education of workers in the spirit of great consciousness and responsibility for the assigned matter. Thus, it is a question of the need to ensure a comprehensive approach to the ideological, labor and moral education of the workers.

The mobilization of the creative potential of our entire system, the increase of the efficiency of its work and the assurance of the precise and harmonious operation of all the units are necessary for the accomplishment of the great and responsible tasks facing the system of the USSR State Workers' Savings Bank. This concerns first of all the stepping up of organizing work and the improvement of its style and methods at all levels of the management of the activity of savings banks.

The new tasks require each collective and each worker to expand during the current five-year plan the work on the utmost development of initiative and the creative search for reserves of the increase of the quality and efficiency of administrative labor in each area of work. Greater regularity, smoothness and efficiency in work should be achieved, the advanced work experience of collectives and individual workers should be generalized and disseminated in good time.

Socialist competition, in which 90 percent of all those working at institutions of savings banks are participating, is an important factor in the achievement of the outlined gains. In accordance with the results of 9 months of 1981 157 collectives of the central savings banks and 14 administrations of the State Workers' Savings Banks were winners in the All-Union Socialist Competition, of them with the awarding of Challenge Red Banners of the USSR State Bank and the Presidium of the Central Committee of the Trade Union of State Institution Workers there are 37 collectives of the central savings banks and administrations. The collectives of the central savings banks: the Ust'-Donetskiy Savings Bank of Rostovskaya Oblast, the Polevskoy Savings Bank of Sverdlovskaya Oblast, the Kivertsy Savings Bank of Volynskaya Oblast, the Petropavlovka Savings Bank of Dnepropetrovskaya Oblast, the Razdol'noye Savings Bank of Krymskaya Oblast, the Rokishkis and Shal'chininkay Savings Banks of the Lithuanian SSR, the Agdam Savings Bank of the Azerbaijan SSR and others, were the best collectives, which repeatedly took prize-winning places during 1981.

The competition for the title "Best Savings Bank," "Best in the Profession" and the movement for a communist attitude toward labor, in which 139,000 workers took part in 1981, also assumed a mass nature. The honorary title "Shock Worker of Communist Labor" was awarded to nearly 46,000 workers, 17,000 institutions are vying for the title "Collective of Communist Labor," which has been awarded to 5,500 collectives.

The workers of the savings banks received with great enthusiasm the decisions of the November (1981) CPSU Central Committee Plenum and the 6th Session, 10th Convocation, of the USSR Supreme Soviet. Their implementation requires of each collective and each worker of savings banks dedicated labor, good organization and great discipline.

The collectives of the Sverdlovskaya Oblast Administration of the State Workers' Savings Bank, the Petropavlovka Central Savings Bank of Dnepropetrovskaya Oblast and the Rokishkis Central Savings Bank of the Lithuanian SSR, which came forth as the initiators of the development of socialist competition in honor of the 60th anniversary of the formation of the USSR and the 60th anniversary of the founding of the State Workers' Savings Bank, assumed higher socialist obligations and challenged all the collectives of the savings banks of the country to take an active part in this competition, displayed a good example in this matter.

Introducing extensively the know-how of the pacemakers, who are in the forefront of the socialist competition, the workers of the savings banks are prepared to exert every effort for the successful fulfillment of the tasks of 1982 and the five-year plan as a whole.

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August 19, 1982